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MANITOBA INDUSTRIAL SERVICES

1987

A STATISTICAL PROFILE

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Manitoba Bureau of Statistics

EXECUTIVE SUMMARY

There are 390 firms listed in the Industrial Services portion of the Manitoba Sourcing Directory: 90 machine shops, 142 welding shops and 158 repair shops.

There are 249 firms (63.8 %) reporting less than 5 employees and 82 firms (21.0%) reporting 5 to 14 employees. Only 16 firms (4.1%) reported employment of 50 or More.

These 390 industrial services firms account for an estimated full-time employment of 5,100 persons.

Of the 374 firms reporting gross annual sales, there are 133 firms (35.6%) reporting sales of $25 thousand to $99 thousand and 138 firms (36.9%) reporting sales of $100 thousand to $499 thousand. There are only 10 firms (2.7%) reporting sales of $5 million or More.

The industrial services firms account for an estimated $418 million annual gross sales of which a large majority are estimated to be sales within Canada.

There are 202 firms (51.8%) located in Winnipeg and 46 firms (11.8%) located in the Southwest region. None of the six other regions account for more than 10% of the total. The North accounts for the lowest number of firms with 10 (2.6%).

Machine shops had an average (mean) number of 19 industrial services (machining, welding or repair) while welding shops had an average of 13 services and repair shops had an average of 9 services.

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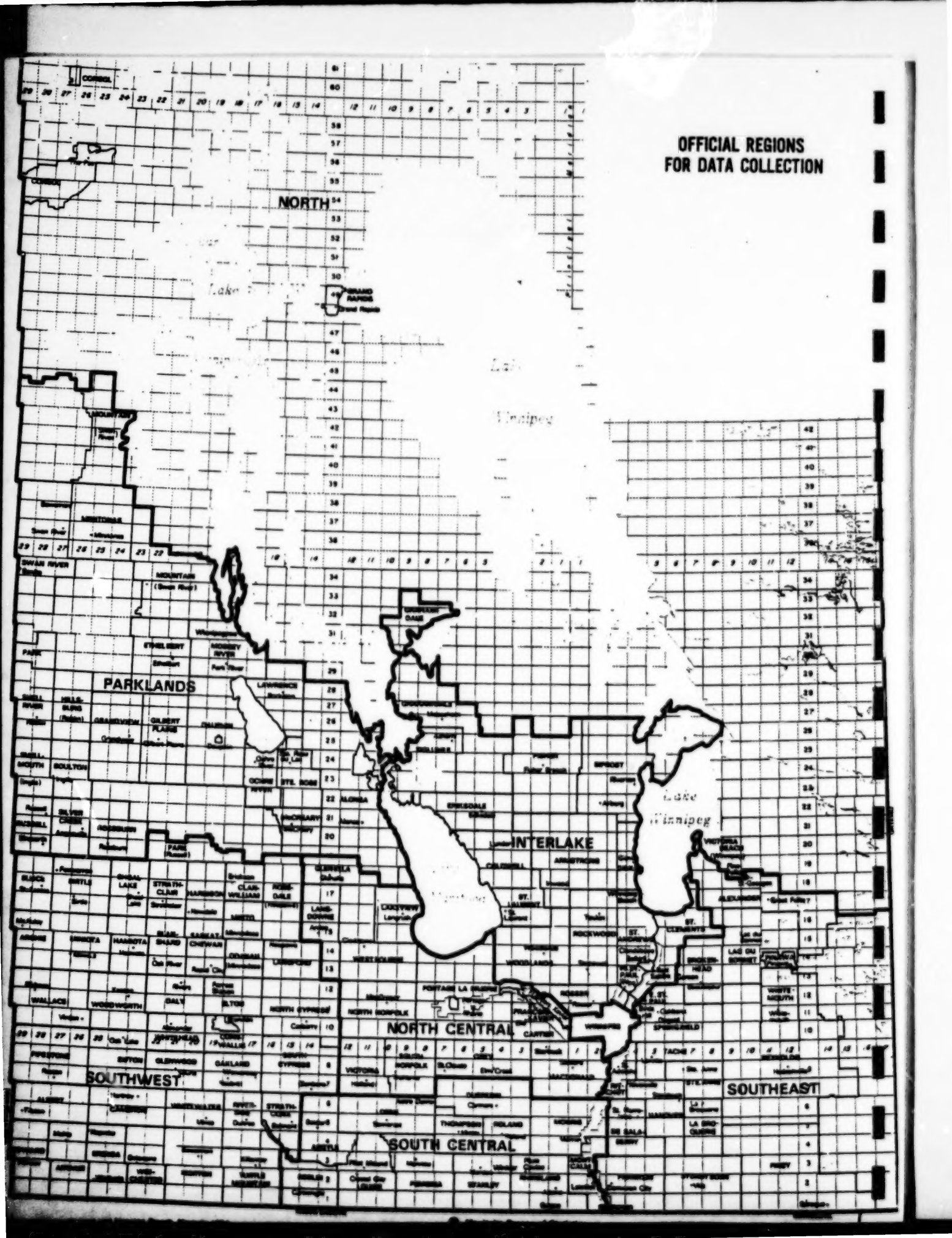
OFFICIAL REGIONS
FOR DATA COLLECTION
NORTH
PARKLANDS
INTERLAKE
NORTH CENTRAL
SOUTHWEST
SOUTHEAST
SOUTH CENTRAL
Lake Winnipeg

I. INTRODUCTION

The following article presents the major statistical characteristics of the Manitoba industrial services sector firms. The firms responding to the 1987 telephone survey update to the Manitoba Sourcing Directory are comprised of machine shops, welding shops and repair shops. A copy of the questionnaire is included as Appendix A.

This report will examine full-time employment, sales, region of business location and industrial services capabilities of the 390 firms listed in the Industrial Services portion of the Manitoba Sourcing Directory.

The regions used in this report are the Official Regions for Data Collection (also known as Economic Regions). The map (opposite page) illustrates these regions.

DEFINITIONS:

Machine Shop: Machine shops are primarily engaged in producing machine parts and equipment, other than complete machines, for the trade.

Welding Shop: Welding shops are primarily engaged in welding.

Repair Shop: Repair shops are primarily engaged in repairing machinery and equipment, appliances, engines and motors, etc. for businesses or individuals.

To obtain additional information, methodology or custom tabulations on the industrial services survey, please contact David Greenwood at (204) 945-2989.

TABLE 1. NUMBER OF MANITOBA INDUSTRIAL SERVICE FIRMS BY EMPLOYMENT SIZE AND TYPE OF FIRM

EMPLOYMENT	MACHINE SHOPS		WELDING SHOPS		REPAIR SHOPS		TOTAL	
	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%
1 TO 4	41	45.6	116	81.7	92	58.2	249	63.8
5 TO 9	19	21.1	9	6.3	25	15.8	53	13.6
10 TO 14	12	13.3	5	3.5	12	7.6	29	7.4
15 TO 19	6	6.7	3	2.1	6	3.8	15	3.8
20 TO 49	6	6.7	6	4.2	16	10.1	28	7.2
50 TO 99	3	3.3	2	1.4	5	3.2	10	2.6
100 TO 249	3	3.3	0	0.0	1	0.6	4	1.0
250 TO 499	0	0.0	1	0.7	0	0.0	1	0.3
500 OR MORE	0	0.0	0	0.0	1	0.6	1	0.3
TOTAL	90	100.0	142	100.0	158	100.0	390	100.0

DATA SOURCE : MANITOBA SOURCING DIRECTORY

MANITOBA BUREAU OF STATISTICS

NOVEMBER, 1987

II. EMPLOYMENT:

There are 249 firms (63.8% of the 390 firms) that have 1 to 4 full-time employees, 53 firms (13.6%) have 5 to 9 employees, 29 firms (7.4%) have 10 to 14 employees, 15 firms (3.8%) have 15 to 19 employees and 28 firms (7.2%) have 20 to 49 employees. The remaining 16 firms have reported full-time employment of 50 Or More. Of these 16 firms, only one firm (a repair shop), has reported employment of 500 or More. Also, 15 of these 16 firms are located in Winnipeg; the other firm reporting 50 or More full-time employees is located in the Interlake region.

In the non-Winnipeg regions, only 13 firms of 188 (6.9%) reported 10 or More employees. Meanwhile, Winnipeg reported 75 of its 202 firms (37.1%) as having 10 or More employees. The North reported 3 of its 10 firms (30%) as having 10 or More employees and the Southwest reported 6 of its 46 firms (13.0%) in that employment category. Both North Central and Parkland regions reported no firms in the 10 or More employment category.

Machine shops reported 60 firms (66.7%) with full-time employment of Less than 10 ; welding shops reported 125 firms (88.0%) in this category while repair shops reported 117 firms (74.1%) with Less than 10 employees. Of the 16 firms reporting 50 or More employees, 6 (37.5%) are machine shops, 3 (18.8%) are welding shops and 7 (43.8%) are repair shops.

The average (median) number of full-time employees for all the industrial services firms is estimated at 3 employees per firm: the average (median) for machine shops is 6, for welding shops 2 and for repair shops 3. The total full-time employment for the 390 firms is estimated at 5,100 persons : 1,440 persons employed by machine shops: 1,190 employed by welding shops and 2,470 employed by repair shops. Winnipeg firms reported 4,170 full-time employees (81.8% of the provincial total). None of the seven other regions account for more than 300 full-time employees.

Table 1 presents the number and percent of Manitoba industrial services firms by employment size and type of firm.

TABLE 2. NUMBER OF MANITOBA INDUSTRIAL SERVICE FIRMS BY TYPE OF FIRM AND SALES

($ 000's)	MACHINE SHOPS			WELDING SHOPS			REPAIR SHOPS			TOTAL		
	TOTAL SALES	DOMESTIC SALES	EXPORT SALES	TOTAL SALES	DOMESTIC SALES	EXPORT SALES	TOTAL SALES	DOMESTIC SALES	EXPORT SALES	TOTAL SALES	DOMESTIC SALES	EXPORT SALES
NOT REPORTED	3	3	72	6	6	136	7	7	149	16	16	357
1 TO 24	5	5	9	18	18	5	12	12	4	35	35	18
25 TO 99	20	20	1	67	67	0	46	47	3	133	134	4
100 TO 499	37	38	5	39	39	1	62	62	0	138	139	6
500 TO 999	9	9	3	2	2	0	9	8	0	20	19	3
1000 TO 2999	13	12	0	6	6	0	15	15	1	34	33	1
3000 TO 4999	1	1	0	1	1	0	2	2	0	4	4	0
5000 OR MORE	2	2	0	3	3	0	5	5	1	10	10	1
TOTAL	90	90	90	142	142	142	158	158	158	390	390	390

DATA SOURCE : MANITOBA SOURCING DIRECTORY

MANITOBA BUREAU OF STATISTICS

NOVEMBER, 1987

III. SALES:

There are 374 industrial services firms that reported total annual sales (95.9% of the 390 firms in the sector). There are 133 firms (35.6%) reporting sales in the $25 thousand to $99 thousand category and 138 firms (36.9%) reporting sales in the $100 thousand to $499 thousand category. These two categories account for 72.5% of the 374 firms reporting sales information. Ten firms (2.7%) reported total sales of $5 million or More.

Of the 10 firms reporting total sales of $5 million or More, 9 are located in Winnipeg and one is in the Interlake region. Two of these 10 firms are machine shops, 3 are welding shops and 5 are repair shops. All of the industrial service firms in the Southeast, South Central, Parklands and North regions have reported total sales of Less than $500 thousand. Winnipeg accounts for 62 (93.9%) of the 68 firms with sales of $500 thousand or More: 22 of the 25 firms (88.0%) that are machine shops, 11 of the 12 firms (91.7%) that are welding shops and 29 of the 31 firms (93.6%) that are repair shops.

The average (median) total sales for the 374 reporting industrial services firms is $156 thousand. The average (median) total sales for the 87 reporting machine shops is $305 thousand, $93 thousand for the 136 reporting welding shops and $216 thousand for the 151 reporting repair shops.

The Manitoba industrial services sector accounts for an estimated annual total sales of $418 million: $71 million (17.0%) by machine shops, $114 million (27.3%) by welding shops and $233 million (55.7%) by repair shops. Winnipeg accounts for an estimated $374 million (89.5% of the provincial total sales). The Southwest and Interlake regions are the only other regions with total sales estimated at More than $10 million.

The distribution of annual domestic sales is very similar to that of total annual sales. However, only 33 of the 390 firms (8.5%) in the service sector reported export sales. Of these 33 firms, 18 (54.6) reported exports valued at less than $25 thousand, 4 (12.1%) reported export sales of $25 to $99 thousand and 6 (18.2%) reported export sales of $100 to $499 thousand. Two firms (6.1%) reported export sales in excess of $1 million.

Table 2 presents the distribution of total, domestic and export sales for the industrial services firms by type of firm.

TABLE 3. NUMBER OF MANITOBA INDUSTRIAL SERVICE FIRMS BY ECONOMIC REGION AND TYPE OF FIRM

ECONOMIC REGION	MACHINE SHOPS		WELDING SHOPS		REPAIR SHOPS		TOTAL	
	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%
SOUTHEAST	4	4.4	14	9.9	12	7.6	30	7.7
SOUTH CENTRAL	6	6.7	17	12.0	12	7.6	35	9.0
SOUTHWEST	8	8.9	26	18.3	12	7.6	46	11.8
NORTH CENTRAL	5	5.6	10	7.0	8	5.1	23	5.9
WINNIPEG	53	58.9	55	38.7	94	59.5	202	51.8
INTERLAKE	9	10.0	6	4.2	12	7.6	27	6.9
PARKLANDS	3	3.3	8	5.6	6	3.8	17	4.4
NORTH	2	2.2	6	4.2	2	1.3	10	2.6
TOTAL	90	100.0	142	100.0	158	100.0	390	100.0

DATA SOURCE : MANITOBA SOURCING DIRECTORY

MANITOBA BUREAU OF STATISTICS

NOVEMBER, 1987

IV. REGION:

Winnipeg accounts for 202 (51.8%) of the 390 industrial services firms in Manitoba; the Southwest region 46 firms (11.8%), South Central region 35 firms (9.0%), Southeast region 30 firms (7.7%), Interlake region 27 firms (6.9%), North Central region 23 firms (5.9%), Parklands region 17 firms (4.4%) and the North has 10 firms (2.6%).

Winnipeg has 53 (58.9%) of the 90 machine shops, 55 (38.7%)of the 142 welding shops and 94 (59.5%) of the 158 repair shops. Winnipeg's 38.7% share of Manitoba's 142 welding shops is low when compared to its 51.8% of industrial services firms. Of the 188 non-Winnipeg firms, 37 firms (19.7%) are machine shops, 87 firms (46.3%) are welding shops and 64 firms (34.0%) are welding firms.

Only the Interlake region has more machine shops (9) than it has welding shops (6). Winnipeg has 55 welding shops compared to 53 machine shops. The other six regions combined have 81 welding shops compared to 28 machine shops: nearly a 3 to 1 ratio.

The Winnipeg and Interlake regions have more repair shops than welding shops with 94 and 12 repair shops respectively. The other six regions combined have a total of 81 welding shops and 52 repair shops.

Winnipeg has 51.8% of Manitoba's industrial services firms. However, Winnipeg dominates in the full-time employment and gross annual sales categories with 81.8% of employment and 89.5% of sales. A Winnipeg concentration of large industrial services firms explains this occurence.

Table 3 presents the number and percent distribution of Manitoba's industrial services firms by type of firm on a regional basis. A map of the Economic Regions can be found on page 4.

TABLE 4. NUMBER OF MANITOBA INDUSTRIAL SERVICE FIRMS BY NUMBER OF TOTAL SERVICE CAPABILITIES AND TYPE OF FIRM

NUMBER OF CAPABILITIES	MACHINE SHOPS			WELDING SHOPS			REPAIR SHOPS			TOTAL		
	MACHIN -ING	WELD -ING	REPAIR -ING	MACHIN -ING	WELD -ING	REPAIR -ING	MACHIN -ING	WELD -ING	REPAIR -ING	MACHIN -ING	WELD -ING	REPAIR -ING
NONE	-	46	31	92	-	97	126	106	-	-	-	-
1 OR 2	1	12	8	0	3	9	1	6	64	1	3	55
3 OR 4	1	7	15	2	29	8	1	19	31	0	23	23
5 OR 6	4	3	16	4	43	6	5	9	16	3	19	12
7 OR 8	8	7	9	12	29	2	5	7	12	3	20	11
9 OR 10	14	3	8	10	18	5	9	6	14	6	12	12
11 TO 15	52	5	3	20	19	11	8	5	14	21	20	13
16 TO 20	10	6	0	2	1	4	3	0	4	23	16	12
21 TO 25	0	1	0	0	0	0	0	0	3	14	11	6
26 OR MORE	0	0	0	0	0	0	0	0	0	19	18	14
TOTAL	90	90	90	142	142	142	158	158	158	90	142	158
AVERAGE (mean)	12	4	4	4	7	2	2	2	5	19	13	9

DATA SOURCE : MANITOBA SOURCING DIRECTORY

MANITOBA BUREAU OF STATISTICS

NOVEMBER, 1987

V. CAPABILITIES:

The Manitoba industrial services firms have been coded to the service that they are primarily engaged in: however, this does not preclude them from offering other services or capabilities. The 390 industrial services firms reported an average (mean) of 19 services for machine shops, 13 services for welding shops and 9 services for repair shops. The 90 machine shops offered, on average (mean), 12 machine services, 4 welding services and 4 repair services. The 142 welding shops offered an average of 4 machine services, 7 welding services and 2 repair services. The 158 repair shops offered an average of 2 machine services, 2 welding services and 5 repair services.

Only 13 (14.4% of 90) machine shops offered 10 services or Less, while 77 (54.2% of 142) welding firms offered 10 or Less services and 113 (71.5% of 158) repair shops offered 10 or Less services. In the machine shop classification, 21 firms and 23 firms reported 11 to 15 and 16 to 20 services respectively: this accounts for 48.9% of all machine shops. The distribution of total services offered by welding shops is fairly even except in the 1 or 2 services range. There are 55 and 23 repair shops reporting total services of 1 or 2 and 3 or 4 services respectively, accounting for 49.4% of all repair shops.

All the machine shops in the Southeast, Southwest, North Central, Interlake, Parklands and North regions reported 11 or More industrial services. The median number of services offered by machine shops is 18.There are 19 machine shops (21.1%) offering 25 or More industrial services.

Of the 90 machine shops, 46 (51.1%) reported no welding capabilities and 31 (34.3%) reported no repair shop capabilities. Of the 142 welding shops, 92 (64.8%) reported no machine shop services and 97 (68.3%) reported no repair shop services. Of the 158 repair shops, 126 (79.7%) reported no machine shop capabilities and 106 (67.1%) reported no welding shop capabilities.

Table 4 presents the distribution of the number of industrial services capabilities by type of firm and type of cabability.

Manitoba

Industry, Trade and Technology

Winnipeg, Manitoba
R3C 3H8

MANITOBA SOURCING DIRECTORY

Company Profile
Industrial Services

SECTION A: GENERAL INFORMATION

1. Company Name

2. Mailing Address | 3. City | 4. Postal Code

5. Street Address | 6. City | 7. Postal Code

8. Telephone No. | 9. Telex No. | 10. Year Established | 11. Work Space Sq. Ft.

12. Alternate Company Name (If Applicable) | 13. Nature of Business

14. Name & Title of Contact Officer | 15. Name & Title of Chief Executive Officer

16. Total Number of Full Time Employees at the Present Time

1-4	5-9	10-14	15-19	20-49	50-99	100-249	250-499	500+
( )	( )	( )	( )	( )	( )	( )	( )	( )

17. Total Number of Full Time Production Employees at the Present Time

1-4	5-9	10-14	15-19	20-49	50-99	100-249	250-499	500+
( )	( )	( )	( )	( )	( )	( )	( )	( )

18. Annual Gross Sales ($000). Sales for Fiscal Year Ending in Previous 12 Months.

1-24	25-99	100-499	500-999	1,000-2,999	3,000-4,999	5,000+	Not Applicable
( )	( )	( )	( )	( )	( )	( )	( )

19. Annual Gross Sales ($000) Within Canada. Sales for Fiscal Year Ending in Previous 12 Months.

1-24	25-99	100-499	500-999	1,000-2,999	3,000-4,999	5,000+	Not Applicable
( )	( )	( )	( )	( )	( )	( )	( )

20. Annual Gross Sales ($000) Outside of Canada. Sales for Fiscal Year Ending in Previous 12 Months.

1-24	25-99	100-499	500-999	1,000-2,999	3,000-4,999	5,000+	Not Applicable
( )	( )	( )	( )	( )	( )	( )	( )

SECTION B: WELDING CAPABILITIES

21. Does your firm have full service WELDING capabilities? Yes ( ) No ( )
If No, please go to Section C.

22. Which of the following types of welding is your firm capable of providing?

	IN THE SHOP		ON SITE	
	YES	NO	YES	NO
Oxygen - Acetelyne	( )	( )	( )	( )
Manual Arc Welding	( )	( )	( )	( )
Gas Arc Welding (M.I.G.)	( )	( )	( )	( )
Tungsten Arc Welding (T.I.G.)	( )	( )	( )	( )
Submerged Arc Welding	( )	( )	( )	( )
Spray Welding	( )	( )	( )	( )
Pressure Welding	( )	( )	( )	( )
Custom Welding	( )	( )	( )	( )
Other (Please Specify)				
_____	( )	( )	( )	( )
_____	( )	( )	( )	( )

SECTION C: MACHINE SHOP CAPABILITIES

23. Does your firm have full service MACHINE SHOP capabilities? Yes ( ) No ( )
If No, please go to Section D.

24. Which of the following processes or products is your firm capable of providing?

( ) Turning
( ) Boring
( ) Drilling
( ) Milling
( ) Press Work
( ) Grinding
( ) Planing
( ) Straightening
( ) Balancing
( ) Honing
( ) Dies
( ) Jigs & Fixtures
( ) Metal Moulds
( ) Gear Cutting
( ) Dye Checking
( ) Custom Machine Design
( ) Custom Machining
( ) Other (Please Specify)
_____
_____

SECTION D: REPAIR SHOP CAPABILITIES

25. Does your firm have full service REPAIR SHOP capabilities? Yes ( ) No ( )

If No, please go to Section E.

26. Which of the following types of equipment is your firm capable of repairing?

	If you work on a specific part or piec of equipment, please specify.
( ) Agriculture - Field Related	
- Building Related	
( ) Air Conditioning, Refrigeration, Heating	
( ) Bakery, Beverage, Food Machinery	
( ) Boring, Drilling, Excavating, Mining, Oil and Gas Machinery	
( ) Compressors Air and Gas, Blowers and Vacuum Pumps	
( ) Concrete Mixing and Construction Maintenance	
( ) Domestic/Household Appliances	
( ) Drag Lines	
( ) Electric and Electronic Equipment Manufacturing	
( ) Electric Motors and Generators	
( ) Elevators and Escalators	
( ) Engines - Automotive	
( ) Engines - Diesel	
( ) Engines - Marine	
( ) Engine Rebuilding	
( ) Filling, Bagging, Cartoning, and Bailing Machinery	
( ) Foundry	
( ) Heat Transfer	
( ) Hydraulic Cylinders	
( ) Hydraulic Power Transmission	
( ) Hydraulic Pumps	
( ) Hydraulic Valves	
( ) Metal Manufacturing	
( ) Printing Industry Machinery	
( ) Pulp and Paper Industry Machinery	

SECTION E: MARKETS

27. Please indicate the types of businesses your firm usually services.

( ) Agricultural
( ) Mining and Forestry
( ) Manufacturing
( ) Construction
( ) Wholesale/Retail Trade
( ) Government
( ) General Public
( ) Other (Please Specify)

_____

_____

28. If your firm has provided services for customers in <u>other provinces</u> within your last fiscal year, please indicate the provinces.

( ) Not Applicable
( ) Newfoundland
( ) Nova Scotia
( ) P.E.I.
( ) New Brunswick
( ) Quebec
( ) Ontario
( ) Manitoba
( ) Saskatchewan
( ) Alberta
( ) British Columbia
( ) N.W.T.
( ) Yukon

29. If your firm has provided services for customers in <u>other countries</u> within your last fiscal year, please indicate the areas.

( ) Not Applicable
( ) U.S.A.
( ) Mexico
( ) Central America
( ) South America
( ) European Economic Community
( ) Other Europe
( ) Asia
( ) Africa
( ) Australia
( ) Other (Please Specify)

_____

30. Does your firm have any certifications or accreditations? (eg. - C.S.A., A.S.M.E., U.L.C.) Yes ( ) No ( )

If yes, please specify.

_____

31. Comments: _____

_____

_____

_____

32. Completed By Title Telephone # Date